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THE BOSTON COLLEGE
ECONOMICS DEPARTMENT
NEWSLETTER

July, 1993



Econ Marks 40 Years of Doctoral Program

With the completion of the 1992-1993 academic year, the Boston College Department of Economics marks its fortieth year of doctoral studies. According to Rev. Charles Donovan, the University Historian, the inaugural doctoral programs at Boston College were established during the academic year 1952-1953 in economics, education, and history. One of the earliest recipients of the degree—Fr. Robert J. McEwen, S.J., who received the degree in 1957 and chaired the department for 13 years—is still with us, teaching part-time.

During these four decades, 166 doctoral degrees in economics have been awarded by the University's Graduate School of Arts and Sciences. Many recipients of the degree have risen to positions of prominence in the profession. In recent years, between five and nine Ph.D.'s have been granted annually.

Although no special celebrations are planned for this anniversary, we urge all alumni of the graduate program to keep in touch with the department, so that we may keep you informed of events at BC, and enlist your support in recruiting the best students for the program and in their placement.

Canavan, Spolaore Join Faculty

The Department's recruiting efforts this year were quite successful, with two new faces joining the ranks of the faculty. **Christopher Canavan**, Ph.D. '93 from Columbia University, will be making a significant contribution to our most overstressed area of Ph.D. interest: macro/money/international finance. Chris also earned a Master's degree in International Affairs from Columbia and was an undergraduate at Oberlin College. His dissertation, "Three Essays in Open-Economy Macroeconomics," explores a topic of great current interest—the EC's attempts to establish a single monetary system, as well as representing that system as a game-theoretic mechanism. He has considerable interest and expertise in Latin American economic affairs,

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Mayfield, Polasky Bid Farewell

As we welcome our new hires, we must also bid farewell to two valued colleagues: **Scott Mayfield** and **Steve Polasky**. Both are moving on this summer after many years of valuable service to the graduate program.

Scott has deserted the halls of academe to take a position with Charles River Associates in Boston, joining forces with former colleague Chris Maxwell in the hectic pace of a consulting environment.

Steve Polasky, who has been making a name for himself in the environmental field, has succumbed to the lure of the Pacific Northwest, where he will join one of the finest academic programs in that field at Oregon State University. He is joining the Department of Agricul-

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ALUMNI ROLLS EXPAND WITH NINE NEW PH.D.'S

Commencement on May 24 capped years of TLC at BC for our nine new economics Ph.D.'s and six M.A.'s.

Sarah Lyn Glavin led the parade of nine, defending her thesis "Monitoring, Litigation and Regulation" on May 15, 1992. Sarah joined the staff of economists at the Human Resources Division of the GAO (including James Cosgrove, '87) in Washington last August. *Michael P. Gallaher* came next with the defense of his thesis "R&D and Liquidity: A Model of Investment Financing with Asymmetric Information" on August 5, 1992. Mike accepted the job he really wanted at Triangle Research Associates, Triangle Research Park, North Carolina—around the corner from Mike French '86—after a disappointing budget cut at the Bureau of Economic Analysis where he had been offered a position. *Andres (Antong) G. Victorio* followed soon thereafter, defending "Motives Behind Helping Parents and Behind Conditional Lending" on September 4, 1992. *Selin Yalcindag* came home to BC to defend her thesis "Essays on the Terms of Trade, Current Account and Trade Liberalization Policy" on September 15, 1992, after which she returned to California, where she is currently living and working temporarily. *Atreya (Chuck) Chakraborty* was next in line with his defense of "Agency Cost, Charter Amendments and the Market for Corporate Control" on September 25, 1992. *Peter J. (P.J.) Nigro* gave the department a chance to catch its breath before defending "Search and Duration: An Application to Bankruptcy" on November 19, 1992. *Abdikarim (Karim) Farah* followed soon thereafter when he defended "Essays in Macroeconomics and Finance" on November 25, 1992. Not far behind came *Mary M. Joyce* to defend "The Effects of Optimal Schooling on Between and Within Group Inequality" on December 3, 1992. Not about to be left behind,

Joanne M. Doyle just made it under the deadline for May commencement, defending "An Empirical Investigation into Internal Adjustment Costs in Neoclassical Investment Models" on April 29, 1992.

The six students who received M.A.'s this year are *Saziye Aydogdu*, *Kursat Kunter*, *John Pickett*, *David Richardson*, *Taufik Sumawinata*, and *Juan Varela-Donoso*. Dave Richardson, Taufik Sumawinata and Juan Varela-Donoso plan to continue in the Ph.D. program.

Mayfield/Polasky... continued from page 1

tural and Resource Economics, where he will begin teaching graduate level microeconomics and graduate level resource and environmental economics in the fall.

Both Scott and Steve have been heavily involved over the years with many students' dissertations, core coursework and that bane of graduate existence—the Ph.D. comps! Steve Polasky was also instrumental in the launch and supervision of a campus-wide recycling program, T.R.E.E., and in teaching a very successful interdisciplinary elective in "Economics and Politics of the Environment." Scott Mayfield was always ready to help the technologically challenged, chairing the Academic Vice President's Computer Advisory Committee and standing ready to soak up any unused CPU cycles with his 25,000 observations on the real-time S&P 500. The echoes of Scott's tones, striving to help a student see the light, will long fill the hallway. We wish both Steve and Scott and their families continued success, health and happiness.



In other faculty news, *Leonardo Felli* continues on leave for 1993-1994 at the London School of Economics, as does *Toni Whited* at the Wharton School of the University of Pennsylvania. *Jane Marrinan* is returning this fall, after spending two years in Italy.

BC EC Faculty News Notes

Jim Anderson follows the success of "Domino Dumping, I: Competitive Exporters," (*American Economic Review*, March 1992) with a sequel this year, "Domino Dumping, II: Anti-dumping," forthcoming in the *Journal of International Economics*. Jim attended the NBER Summer Institute in August 1992, where he spoke on measuring trade restrictiveness. In September he traveled to the University of Wisconsin to deliver "Domino Dumping, II: Anti-dumping." In December 1992 and February 1993, Jim traveled to North Carolina State University and Princeton University, respectively, where he presented "The Trade Restrictiveness of Mexican Agricultural Policy." In January, Jim visited the World Bank, where he presented "Measuring Trade Restrictiveness in a Simple Model: Overview." A pleasant trip to Nova University, Lisbon, in March, 1993, (where former student Celia Cabral, Ph.D. '91 is teaching) afforded Jim the opportunity to present "Domestic Distortions and International Trade" and "The Trade Restrictiveness of Mexican Agricultural Policy."

Richard Arnott's publications of note in the past year include "A Structural Model of Peak-Period Congestion: A Traffic Bottleneck with Elastic Demand," with André de Palma and Robin Lindsey, *American Economic Review* 83:161-179, 1993, and "The Ramsey Problem for Congestible Facilities," with Marvin Kraus, *Journal of Public Economics* 50:371-396, 1993. Richard traveled to Lyon, France, in July 1992 to present "Self-Financing of Congestible Facilities in a Dynamic Environment," with Marvin Kraus, at the World Conference on Transport Research. He participated in seminars at Alberta, Brown, Calgary, Harvard, Illinois, Montreal, Pennsylvania, Princeton, Waterloo, and Windsor. (Can you believe the airlines are in trouble?)

To stave off boredom, Richard is working on

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Doctoral Student Dissertation and Teaching Awards Conferred

Basma Bekdache and **Alpay Filiztekin** were chosen to share the Graduate School of Arts & Sciences dissertation fellowship award for 1993-1994. The award frees the students from teaching and/or research duties for one semester each to devote full time toward the completion of their dissertations. Basma's dissertation consists of essays on modeling the term structure of interest rates—based partially on recent work by M.A. thesis advisor Jim LeSage (Ph.D. '83). Alpay's work involves three essays on international economics and macroeconomic fluctuations.

John Barkoulas, **Mustafa Caglayan** and **Meral Karasulu** have been selected as the recipients of this year's Summer Dissertation Awards, including the H. Michael Mann Award. Once again we'd like to thank all those who make the Mann Award possible by making contributions to honor the memory of Mike's life. Teaching Fellow James Monks and Teaching Assistant Gurkan Oguz were the winners of the Graduate School's 1993 Teaching Excellence Awards. Congratulations to all!



is a publication of the Boston College
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to see in the newsletter—for the next issue!

Edited by Kit Baum and Mary Foley

produced with Aldus PageMaker 4.2 on the Apple Macintosh.

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two books: one on moral hazard with Joseph Stiglitz; the other on traffic congestion with André de Palma and Robin Lindsey. With Jacques Drèze, Kenneth Arrow and Tony Atkinson, Richard is co-editing a volume of William Vickrey's papers.

Chong-en Bai attended the ASSA meetings in January where he discussed Yijiang Wang's paper, "Alternative Transition Strategies to A Market Economy: The Case of China (II)." In February Debraj Ray invited Chong-en to a seminar at Boston University where he presented "Wage Contracts and Specific Human Capital Investment under Uncertainty." Chong-en crossed the Atlantic as the invited guest of Kevin Roberts of the London School of Economics on May 25 to make an encore presentation of the aforementioned paper.

Kit Baum continues to keep himself busy with his amateur photography (mug shots of the graduate students—he's thinking of moonlighting for the Registry of Motor Vehicles) and other duties of directing the graduate program. (It is an unsubstantiated rumor that his letterhead now reads DGS-for-Life). His position in charge of all those Macintoshes was formalized as Faculty Technology Coordinator, and he gained the services of a technology assistant—a graduate student in our department, Susan Bellers (with the impeccable credentials of a Kalamazoo College degree!) who could keep those Macs on the move.

Kit and Chucky Chakraborty continued their joint research on anti-takeover amendments; the paper they presented last year at the SEDC meetings will soon be published in a conference volume edited by David Belsley.

Kit and Chucky also presented versions of their work at the Financial Management Association last October in San Francisco, and at the Eastern Finance Association meetings this spring in Richmond. Kit also presented "Tobin's Q and Financial Policy Revisited," with former students Mark Klock and Cliff Thies, at the Inter-

national Symposium on Economic Modelling, Göteborg, Sweden, August 1992. In a bid to upstage Peter G for the most exotic conference locale, Kit journeyed to Nafplio, Greece, this June to attend the 1993 meetings of the Society for Economic Dynamics and Control where he presented joint work with Ph.D. student Olin Liu, "An Alternative Nonlinear General Equilibrium Model of the Term Structure of Interest Rates."

Kit was consumed this spring by a "little project—just a couple of days" posed by perennial optimist Joe Quinn, in which he massaged the entire database of undergraduate enrollments in Arts and Sciences courses for 1991-1992 to provide some useful MIS for the A&S Dean and Board of Chairs. Although detailed statistics on how many full-time faculty an average freshman encounters are still classified, the need for a sizable upgrade to the B.C. mainframe computer is not.

David Belsley also made the trip to the SEDC conference in Nafplio; despite a strike by hydrofoil operators he arrived at the conference in time to chair a session on "Computational Elements in Economics and Statistics," which included a presentation by Ph.D. student *Basma Bekdache* (see p. 3) on "A Multiprocess Mixture Model of the Term Structure of Interest Rates."

Don Cox's latest effort with '88 Ph.D. *Tullio Jappelli*, "The Effect of Borrowing Constraints on Consumer Liabilities," appeared in the May 1993 *Journal of Money, Credit and Banking*.

Peter Gottschalk has received a grant from the University of Michigan and the National Science Foundation to study the impact of attrition in the Panel Study of Income Dynamics, with Robert Moffitt. A 1991-1993 grant from the U.S. Department of Health and Human Services, through the Institute for Research on Poverty, for support of graduate student assistants is ongoing. As the recipient of a faculty fellowship from Boston College for 1992-93,

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Leon Smolinski, Ann Friedlander Pass Away

With great sadness we report the deaths of two former faculty members, Leon Smolinski and Ann Friedlander.

Leon Smolinski died on July 31, 1992. He was 69 years old and had taught at BC for thirty years. Leon's economic focus was on the Russian economy, about which he wrote and taught, and his course work embodied the study of comparative systems. He was also associated with the Russian Research Center at Harvard University.

Leon was born in Kalisz, Poland. When the Nazi invasion took place during World War II, he actively participated in resisting the Nazis. After emigrating to the United States in 1950, Leon earned a master's degree in economics from the University of Cincinnati and a doctorate from Columbia University. Leon never lost his charming European manner and distinctive accent. Although he had retired from his duties at Boston College, he lived nearby and was never very far away.

Ann Friedlander succumbed to the effects of cancer in October, 1992, following a bout with the disease which lasted several years. After receiving her Ph.D. from MIT in 1964, Ann was a Fulbright lecturer at the Svenska Handelshoegskolan in Helsinki, Finland. From there she launched a successful tenure at Boston College from 1965-1974, rising to the rank of professor. She was a visiting professor at MIT from 1972-1974, before receiving an offer of a dual appointment in the Department of Economics as Class of 1941 Professor of civil engineering and as professor of economics. Ann achieved two firsts for a woman at MIT. In 1983, she became chair of an academic department, the Department of Economic. In a second milestone for that institution, she was appointed Dean of the School of Humanities and Social Science, a position in which she served until 1990.

As an authority on public finance, Ann's specific field of interest was in transportation studies. As a noted author, Ann's books and monographs include "Transport Regulation: Equity, Efficiency, and Competition," with Richard Spady, and "Government Finance," with John F. Due. She delivered the Alice E. Bourneuf Address at Boston College as one of the first speakers in the Bourneuf Lecture Series.

Details of these two outstanding economists' careers courtesy of the *Boston Globe* and *Boston Herald*.

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Peter is studying the impact of including the value of home production in measuring time and money poverty.

Picking up where we left off with Peter's travels from last year's newsletter, Peter packed his bags (actually, he never unpacks) and was off to the following locales: In June he presented a paper at the Summer Research Workshop, Institute for Research on Poverty, University of Wisconsin, Madison, and at the "Roundtable on Children—Welfare Reform and the Family," Urban Institute, Washington. He presented a paper with Robert Moffitt at the NBER Labor Studies Summer Institute, Cambridge, MA, and he lectured at the 1992 Luxembourg Income Study Summer Workshop in Luxembourg, both in July. August found Peter at Abo Akademia University, Abo, Finland, where he presented two papers at the "Congress on Longitudinal Perspectives on Income Inequality and Poverty." From Finland it was off to Moscow to present an invited paper at the Tenth World Congress of the International Economic Association. He participated in an Institute for Research on Poverty "Working Group on Measurement of Dependency and Vulnerability," in Madison in September and November. Peter presented a paper at the Microeconomics Workshop at the University of Kentucky in Lexington in December.

Peter's peripatetic pace propelled him into 1993, when Peter presented two papers with Robert
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Moffitt, at the Allied Social Science Association, Anaheim, California and in February at the Institute for Research on Poverty, in Madison, Wisconsin. In March he participated as an advisor to the Children's Defense Fund's Costs of Child Poverty Research Project, Washington, D.C. In the same month he was a guest speaker at "Symposium on Income Distribution and Poverty" at the University of Pennsylvania, and attended the meeting of the ICPSR Advisory Committee on the 1990 Census in Detroit. His "Changes in Inequality of Family Income in Seven Industrialized Countries" appeared in the May 1993 *AER*. Stay tuned!

Marvin Kraus' paper "The Ramsey Problem for Congestible Facilities," with Richard Arnott, appeared in the March 1993 issue of the *Journal of Public Economics*.

Together with Richard Arnott, Marvin has been involved in trying to rescue from obscurity an important congressional statement on urban transportation policy made by William Vickrey in the late 1950's. Marvin and Richard have edited the statement into two journal articles under Vickrey's authorship. "Statement to the Joint Committee on Washington, D.C., Metropolitan Problems" will be published in the *Journal of Urban Economics*, while "Reaching an Economic Balance Between Mass Transit and Provision for Individual Automobile Traffic" will appear in the *Logistics and Transportation Review*.

Frank McLaughlin presented "The Marginal (?) Revolution and the Transformation of the Paradigm of English Classical Economics" to the faculty of the Boston College Perspectives Program at the annual Perspectives Workshop, May 19, 1993.

Joe Peek returned to BC from New Zealand for the fall semester and has become acclimated to life in the USA once more, but Joe's not one to sit still. He's been out on the hustings again making the following presentations: "Crunch-

ing the Recovery: Bank Capital and the Role of Bank Credit" at the Federal Reserve Bank of Boston Conference No. 36, held at the Bald Peak Colony Club in New Hampshire in September; "The Capital Crunch: Neither a Borrower Nor a Lender Be," at the Southern Economic Association Meetings held in Washington, D.C., in November; and "Bank Regulation and the Credit Crunch," at the American Economic Association Meetings in Anaheim in January.

Joe's work on the capital and credit crunch with Eric Rosengren at the Boston Fed has been noticed. Reporters have been calling, and Joe and Eric's work has been cited in *The Christian Science Monitor*, *Barron's*, *The Wall Street Journal*,
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and has worked as a consultant to the World Bank, analyzing debt restructuring schemes for those countries. He has lived in Venezuela, Mexico and Spain, and is fluent in Spanish.

Enrico Spolaore, Ph.D. '93, A.M. '91 from Harvard, will also be joining us in the fall as a visiting assistant professor. Enrico has interests in macro, political economy and international economics, and is working under Alberto Alesina's guidance in the area of political economics—specifically, the nature of economic policymaking under single-party governments versus coalition governments. (Perhaps an Italian is particularly interested in the weaknesses of the latter!) This work makes extensive use of game theory, and contributes an interesting interdisciplinary flavor to the field of macroeconomic policy. Enrico will be stepping into the Math for Economists Ph.D. course, teaching part of the graduate money sequence, as well as undergraduate macro theory. His expertise in game theory will make him a very popular person among the Ph.D. candidates!

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and *The Boston Globe*, to name but a few.

Steve Polasky's publications include: "The Private and Social Value of Information: Exploration for Exhaustible Resources," *Journal of Environment Economics and Management* 23(1):1-21, July 1992; "Knowledge-Based Growth," with Scott Freeman, *Journal of Monetary Economics* 30(1):3-24, October 1992; "Do Oil Producers Act as 'Oil'igopolists?," *Journal of Environmental Economics and Management* 23(3):216-247, November 1992; "On the Measurement of Biological Diversity," with Andrew Solow and James Broadus, *Journal of Environmental Economics and Management* 24(1):60-68, January 1993; "Divide and Conquer: On the Profitability of Forming Independent Rival Division," *Economics Letters* 40(3):363-371, April 1993; and "Searching for Uncertain Benefits and the Conservation of Biological Diversity," with Andrew Solow and James Broadus, *Environmental and Resource Economics*, forthcoming.

Steve presented "Entry Deterrence in the Commons" at the Allied Social Science Association Meetings in Anaheim, CA, January 1993. Back in Boston in February he delivered "On the Conservation of Biological Diversity" at the American Association for the Advancement of Science. Steve presented "Non-Renewable Resource Cartels: Who's in the Club?" at the National Bureau of Economic Research Conference on Cooperation, Coordination, and Collision among Firms, in Cambridge, MA, in May.

Joe Quinn writes from O'Neill that his publications for 1993 are: "The Economic Well-Being of the Elderly: Past, Present and Future," with Timothy Smeeding, in *Employer Pensions in a Changing Economy*, Richard Burkhauser and Dallas Salisbury, eds., Washington, DC: Employee Benefit Research Institute, forthcoming; "The Future of Retirement," in *The Columbia Retirement Handbook*, Abraham Monk, ed., New York: Columbia University Press, 1993; "Retirement Trends, Employer Pensions and Public Policy," *Journal of the National Association of*
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Smolinski Memorial Established

A memorial award in honor of the late Prof. Leon Smolinski (see p. 5) is being established by the Department of Economics. Leon's dedication to scholarship and teaching will be honored by an annual award to an outstanding graduating economics major who has been accepted for graduate study in economics. The selection will be based on the strength of the student's curriculum and his or her achievement in major and non-major courses. We hope to award both a medallion and a cash prize during the Arts and Sciences awards ceremony during commencement weekend.

We invite all of you who knew and respected Leon to join us in this memorial. Contributions to the Leon Smolinski Memorial Fund can be sent to Joe Quinn at the Economics Department. All contributors will be kept informed of this effort.

The Year of the Seminar

Things you shouldn't be without this academic year included a department calendar as the *RIP* seminar series of old was *Rip*-ped into discrete parts: general, micro and macro. The lines were drawn, with the general seminar becoming a neutral buffer zone. Micro people enjoyed seminars presented by Kevin Lang, Robert Lucas, Albert Ma, and Debraj Ray, all from Boston University; Andrew Solow of MIT and our own Steve Polasky; Frank Levy; Richard Murnane; Robert Weiner, Brandeis; Jonathan Morduch, Eric Maskin, and Tomas Sjoström, Harvard; and Steve Berry, Yale.

Not to be outdone, the growing Macro Mafia brought in speakers including: Jesus Gonzalo and Russ Cooper, Boston University; Jonathan Skinner, University of Virginia; John Haltiwanger, University of Maryland; Bill Easterly, World Bank; Michael Klein, Fletcher School; Andy Hughes Hallett, University of Strathclyde, visiting Princeton University;
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former B.C. macro jock Bruce Smith, Cornell University; Andreu Mas-Colell and Enrico Spolaore, Harvard University; and Sergio Rebelo, NBER.

Stellar attractions in the General seminar series included: Franklin M. Fisher, Charles River Associates; Glen Loury, Boston University; Richard Blundell, University College, London, and the Institute for Fiscal Studies. A fascinating talk on the disasters of financial regulation was delivered by Lawrence White of New York University, who was the featured speaker at the annual Alice E. Bourneuf Lecture.

BC Ph.D.'s Successful in the Job Market

BC job-market candidates enjoyed a banner year, with results far exceeding expectations in a still-sluggish economy. Impressive not only from the standpoint of the number of offers made, but also from the much-earlier-than-usual timing of the offers, our job seekers reaped the following results. ***Atreya Chakraborty*** turned down offers from the University of New South Wales, Australia, Smith College, Northampton, MA, and the College of Wooster in Ohio, and instead accepted a tenure-track offer from the Lemberg Program in International Finance at Brandeis University, Waltham, MA. ***Joanne Doyle*** accepted a tenure-track offer from James Madison University, Harrisonburg, VA, after turning down a position at Smith College. ***Karim Farah*** successfully obtained a desired position at the IMF in Washington, DC, African Department. (Maybe Somalia will prosper?) The husband and wife team of ***Mary Joyce*** and ***P.J. Nigro*** most happily accepted positions in Washington: Mary, as reported in last year's Newsletter, has begun her assignment on the staff of a new research office at The Office of Publications and Special Studies, Bureau of Labor Statistics; and ***P.J.*** accepted a position as a Financial Economist with the Office of the Comptroller of the Currency. ***Dan Swaine*** (Ph.D. '90) will be working at the Eastern Mediterranean University in

Northern Cyprus under the terms of a one-year renewable contract, Eastern Mediterranean's method of tenure track. One of his colleagues there will be none other than ***Serhan Ciftcioglu*** (Ph.D. '89). ***Antong Victorio*** will be heading to the University of Wellington (New Zealand) to begin a tenure-track position, utilizing both his economics and public policy backgrounds. ABD ***Alison Kelly*** was offered and has accepted the tenure-track position at Suffolk University in Boston, which was mentioned as a possibility in our last publication. ***Mark Kazariosian*** has not made a final decision, awaiting word of an endowed chair in Rollerblading. In light of all this, placement director Frank Gollop hasn't stopped smiling!

BC GOSSIP

by our answer to Norma Nathan

News flash! Stop the presses! Our usually reliable nose for news missed this one completely... graduate students ***Mustafa "Moose" Caglayan*** and ***Neslihan Ozkan*** returned from a summer trip to their Turkish homeland, having tied the knot! And to think none of us knew... Along those lines, recent graduate ***Joanne Doyle*** is engaged.

A senior administration official in Washington leaked the news that ***Rosemarie Emanuele*** (Ph.D. '92) is engaged to be married and that a spring 1994 wedding is being planned. ***Joe Peek*** was back at the helm of the NCAA operation this year and success followed. Seems funny, doesn't it, that while Joe was in New Zealand he couldn't win for beans, but now that he's on familiar turf he's once again the successful bettor of old? He mentioned something about a baby needing shoes (read on). Donna and ***Mike McDonald*** (Ph.D. '89) have bought a townhouse in Reston, Virginia, and were nice enough to let us know. Thanks. (We keep telling graduate students that there is a world outside Carney!) Speaking of babies, the baby boom continues with news from several fronts: ***James Cosgrove*** and his

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wife Martha welcomed a daughter Emily, born in June 1992; Catherine J. Pang arrived on August 19, 1992, bringing joy to Olin Liu and her husband Minglun Pang. From Italy Marilena Furno and Tullio Jappelli sent news of the birth of a son Ruggero, born on September 7, 1992, noting that he is the first of what is to be a long series—we'll be watching! Arzu and Joe Peek happily announced the birth of Denise Jeanne on May 8, just in time for Mother's Day. Weighing in at 7 lbs., and 20 inches long, it looks as if she'll be able to fill those shoes that Joe talked about, to say nothing of other things. Bob Murphy and his wife Cheryl welcomed Brian Robert on May 20, at 7 lbs. 10 1/2 oz., 20" long, joining sister Shannon, now two years old. The long wait for a second son for Steve Polasky and his wife Liz ended on June 4, when Andrew Davis arrived, breaking the scales at 11 lbs., 1 oz. Drew's big brother Daniel will have to keep looking over his shoulder to keep two steps ahead of such awesome company. Overheard in the hallway was news that Mike Allen (Ph.D. '92) and his wife Holly have become parents for the first time in May. Unheard was what the particulars were. "Nobody tells a gossip anything."



Alumni News Notes

Theresa Amott, (Ph.D. '80) Bucknell University and Ann Davis, (Ph.D. '83) Maris College, are on the editorial board of *The Review of Radical Political Economics*. James Cosgrove (Ph.D. '88), wrote "Quality and Cost in Early Childhood Education," with Irene Powell, published in *The Journal of Human Resources* XXVII:3, Summer 1992. Tullio Jappelli 's (Ph.D. '88) "Saving and Capital Market Imperfections: The Italian Experience," written with Luigi Guiso and Daniele Terlizzese, appeared in *The Scandinavian Journal of Economics* 94:2:197, 1992. Wife Marilena Furno (also Ph.D. '88) published "Monetary Policy and Interest Rates: an Adaptive Estimator Approach" in the July 1993 *Journal of Economic Dynamics and Control*. Mark Klock (Ph.D. '84) has written: "The Stock Market Reaction to a Change in Certifying Accountant," *Journal of Accounting, Auditing and Finance*, forthcoming; "Liquidity and Corporate Investment," with

Clifford Thies (Ph.D. '82), *Southern Economic and Business Journal*, forthcoming; "The Impact of Intangible Capital on Tobin's q," with spouse Pamela Megna (M.A. '83), *American Economic Review*, 83:265-269, May 1993; "Determinants of Capital Structure," with Clifford Thies, *Review of Financial Economics*, 2:40-52, Spring 1992. Ted Shepard (Ph.D. '87; Lemoyne College) is the author of "Profit-Sharing and Productivity: Further Evidence from the Chemicals Industry," to be published in *Industrial Relations*. John O'Keefe (Ph.D. '86; FDIC) published "Bank Failure Resolutions: Implications for Banking Industry Structure, Conduct and Performance" in the Spring/Summer 1992 *FDIC Banking Review*.

A number of our alumni made presentations at the January 1993 ASSA meetings in Anaheim. Teresa Amott (Ph.D. '80, at Bucknell) presented "Feminist Pedagogy and Multiculturalism," "Expanding Economic Conversations: Toward a Rhetoric of Needs." Charles Brown (Ph.D. '70, at Michigan) presented "Wage Structures and Methods of Compensation." Michael French (Ph.D. '87, at Research Triangle Institute) presented "Prevalence, Cost and Impact of Employee Assistance Programs." Mark Klock (Ph.D. '84, at George Washington) chaired a SEDC-sponsored session on "Dynamics of Productivity, Economic Integration and the Capital Markets," which included a presentation by Fabio Schiantarelli, who presented "Asymmetric Adjustment Costs and the Estimation of Euler Equations for Employment." Jim Markusen (Ph.D. '74, at Colorado) presented "Trade Liberalization in a Multinational-Dominated Industry" and "Direct Foreign Investment Flows as Influenced by Trade Balance Restrictions, Domestic Contest Provisions, and Ownership Restrictions." Pam Megna (M.A. '83, at F.T.C.) presented "Estimates of Intangible Capital in the Semi-Conductor Industry." Karen Palmer (Ph.D. '90, at Resources for the Future) presented "Trade Policy and the Environment: A Conceptual Framework," and Susan Wachter (Ph.D. '75, at Penn) presented "House Price Indices: Use of American Housing Survey versus Transactions Data." Sister Mary Benjamin Vaniyapurayil (Ph.D. '67) returned to the United States last year after spending twenty-three years in India as a university teacher and administrator. Michael Metzler, ABD student in the 1960's, was recently appointed Ex-

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CHENEY SCHOLARSHIP AWARDED

Christopher Burk, the Robert J. Cheney Scholarship winner for 1992-1993, has validated the Department's selection. Not only was Chris able to do honors work in economics and finance as a double major in the Carroll School of Management, he was also able to devote considerable time to volunteer activities. Chris' honors thesis in economics, "The Effect of Uncertain Future Demand on Exhaustible Natural Resource Extraction," written under the direction of Steve Polasky, described the dead-weight loss to society due to the uncertainty of future demand and the contribution to market efficiency that futures trading in natural resource products could offer. He also discussed the extent to which futures contracts are currently being utilized by owners of petroleum reserves. In addition to his academic work, Chris participated in a number of extracurricular activities and service projects, singing with the Voices of Imani Choir, making toys for children with AIDS, and collecting food for the Harvest for Hunger Program.

Selection of a recipient for 1993-1994 is underway. The financial pressure on many students makes this scholarship program all the more meaningful. If you'd like to help, you may send a contribution to the department, marked "Cheney Fund."

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ecutive Vice President and Chief Operating Officer for St. Elizabeth's Hospital, Brighton, MA. Before joining St. Elizabeth's as Director of Personnel, Mike was Director of Labor Relations for Stop and Shop. This winter the Labor Guild of the Archdiocese of Boston awarded Mike the Cushing-Gavin Award as a tribute to his contributions to good labor relations. Coincidentally, Father Mortimer Gavin, S.J., for whom the award is co-named (with the late Richard Cardinal Cushing of Boston), was a member of the economics graduate faculty at Boston College in the mid 1950's, and was himself the winner of the Sebastian Reale Medal in honor of his important contributions to Boston College. (We thank Frank McLaughlin for this information).

Clifford F. Thies, a 1982 Ph.D. graduate of Boston College, has been named the Durrell Chair of Money, Banking and Finance in the Byrd School of Business at Shenandoah University in Winchester, Virginia. Clifford also holds the M.B.A. from St. John's, '75, and a B.A. cum laude in mathematics from St. John's. His first academic appointment was as an assistant professor of business at the University of Montana-Great Falls in 1981-1985. He then became an assistant professor of economics and finance at the University of Baltimore, rising to associate in 1990. During the latter half of 1992, he was a Bradley Resident Scholar at the Heritage Foundation in Washington.

Cliff has eclectic research interests, publishing on drug decriminalization, stock repurchases, liquidity and corporate investment, the pricing of callable preferred stock, the construction of term structures for the interwar period, and milk price decontrol. His dissertation, inspired



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by former faculty member J. H u s t o n McCulloch, in-

involved the construction of interwar interest rate estimates. Many of his more recent publications are squarely in the finance arena, which made it possible for him to win a position in the finance market.

Thies has had a Libertarian orientation for many years; both he and wife Carol are active in that party's national workings, and each has run for statewide office on the Libertarian ticket. His interests in free-market solutions to problems have guided much of his research, which has often spanned disciplinary barriers to consider the political feasibility of policy prescriptions. As an applied researcher, he has contributed to the *Baltimore Business Journal*, the *Baltimore Evening Sun* and has written a number of encyclopedia articles. He has jointly authored a textbook, *Macroeconomics for Managers*, published by Allyn and Bacon in 1990.

Clifford, Carol and their four children live at the end of a dirt road in Boyce, Virginia, with a magnificent view of the Blue Ridge Mountains.

Barbara Fraumeni received the Ph.D. in economics from Boston College in 1980. She is presently an associate professor in the department of economics at Northeastern University, and a research fellow in Harvard University's Kennedy School, in the Program on Technology and Economic Policy. She received the B.A. in economics from Wellesley College in 1972, returning there as a part-time assistant professor in 1980-1981.

Barbara has had a strong research orientation, working as a researcher at Data Resources, Inc. from 1972-1978, and thereafter as a research associate and economist for Dale Jorgenson Associates. Her most notable publication is



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"U.S. Economic Growth and Productivity," a book co-authored with Jorgenson and our own Jorgenson protege, *Frank Gollop*. This volume was published in 1987 by Harvard University Press and reprinted in Chinese by the People's Republic of China in 1990. She has been a long-time student of productivity growth, beginning with her Boston College thesis, "The Role of Capital in U.S. Economic Growth, 1948-1976." Her recent articles on that subject in collective volumes--several joint with Dale Jorgenson--include "The Output of the Education Sector" (NBER); "Investment in Education and U.S. Economic Growth" (Westview Press); "Productivity and U.S. Economic Growth, 1979-85" (*Journal of Productivity Analysis*); and "The Accumulation of Human and Nonhuman Capital, 1948-1984" (NBER).

Fraumeni was elected to the NBER Conference on Income and Wealth, and has made several presentations to that group. She is also a member of the International Conference on Research in Income and Wealth and NYU's Household Economy International Project. She has supervised a number of doctoral dissertations at Northeastern.

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Administrative Law Judges, forthcoming; "Labor Market Obstacles to Aging Productively," with Richard Burkhauser, in *Achieving a Productive Aging Society*, Scott Bass, Frank Caro and Yung-Ping Chen, eds., Westport, CT: Auburn House, 43:59; "Poverty and Income Security Among Older Persons," National Academy on Aging, Paper No. 1, Syracuse University, March.

Joe made the following presentations: "The Labor Supply of the Elderly: A Worldwide Phenomenon," paper presented at the National Academy of Sciences Workshop on the Demography of Aging, Washington DC, December 1992; Program Chair and Discussant at the session on Suburban-Urban Planning in De-Centralizing Economies, Association for Public Policy and Analysis and Management, Denver, October 1992; "Retirement Trends, Employer Pensions and Public Policy," paper presented to the National Association of Administrative Law Judges, National Judicial College, Reno, Nevada, October 1992; "The Road to Retirement in the U.S.: The Importance of Part-time Work in the Process of Labor Force Withdrawal," paper presented at an international conference on "Social Security: 50 Years After Beveridge," York, England, September 1992; and Rapporteur at the National Academy on Aging Executive Seminar on Poverty and Income Security, Washington, DC, June 1992. Joe is professionally involved as a member of the Governor's Council on Economic Growth and Technology and Subcommittee on Taxation and Capital Formation; Chair, National Academy of Social Insurance Dissertation Awards Committee; Member of the Executive Committee, Gordon Public Policy Center, Brandeis University; and a Member of the Editorial Board, *Review of Income and Wealth*. Obviously, Joe's body and mind operate on circadian rhythms.